

Special Report

Differentiate or Die:

Your
Unique Selling
Proposition

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Differentiate or Die: Your Unique Selling Proposition

AVIS Rent a Car "We're number two. We try harder."

Federal Express "When it absolutely, positively has to be there."

Domino's Pizza "Fresh, hot pizza in 30 minutes or less"

What do all three of these slogans have in common? They are powerful statements of uniqueness that helped to propel their respective companies to success.

Avis Car Rental knew that Hertz, the number one car rental company, was so much bigger than them that they couldn't compete head on so they positioned themselves as the number two car company that worked harder for the customer.

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Federal Express based their slogan on a promise of delivery reliability. Domino's based their slogan on the fact that most pizza eaters don't care how much stuff is on their pizza, but that it is hot, fresh, and delivered quickly.

Your Unique Selling Proposition

Each of these slogans is their respective company's unique selling proposition (USP). A USP is something that differentiates you from all your competitors both local and industry-wide. It's what makes you so unique that people will choose to do business with you over any of your competitors. Your USP states your distinct advantage.

One of the deadliest mistakes small businesses make is not being unique. Now more than ever you must differentiate your small business. Today there is an explosion of choices for consumers. During slow times, the same number of small businesses will be vying for a diminishing number of prospects. When this happens the competitive landscape gets tougher and choices for consumers get more difficult.

If you want to survive during the slow economy you must differentiate yourself in the eyes of your prospect. Your USP is what states to the world why you are different.

Factoid: The origin of USP comes from a man named Rosser Reeves who was considered the "high priest of hard sell." He was an advertising agency chairman back in the 60's. He wrote a book titled, "Reality in Advertising" that became very popular. It was translated into 28 languages. He introduced and defined the concept called Unique Selling Proposition.

Why is Your USP so Important

To be successful in small business you don't have to be the best, you just have to be unique. Identifying, developing, and incorporating your USP into everything you do is challenging. But the reward is worth every effort. It will differentiate you, distinguish you, and give you advantage over everyone in your marketplace:"""

"Me too" businesses rarely survive. They usually end up in price wars because they don't have anything unique about them to establish value in the minds of their prospects. They are left with only one weapon with which to compete - price. And unless you have a significant cost advantage over your other business competitors, you will lose.

Make Your USP Crystal Clear

The more clearly you announce your USP, the more often customers will choose you over your competition. You must use your USP to dominate your local market. When a consumer thinks of your product, your name must be the first one that pops into her mind.

Your USP must create a real and perceived advantage in your prospect's mind. For example, Domino's made a very bold guarantee that if they didn't deliver your pizza within 30 minutes of ordering, it would be free of charge. Domino's put their USP into action.

Be Specific

How many small businesses do you hear saying, "The Best Selection in Town" or "Service with a Smile" I have to tell you that these phrases are worn-out, tired renditions of a "me too" business. Be specific with your USP. When Domino's stated that your pizza would be, (1) fresh, (2) hot, and (3) delivered within 30 minutes, it was specific and measurable. "Buy it today and install it tonight" - that's specific and measurable.

How to Identify and Develop Your USP

You shouldn't rush or hurry the decision of your USP. You will spend thousands of pounds advertising and promoting your USP. Once you've made your impression and then decide to change it, you begin to confuse your prospects, and it will cost you even more money to re-implement a different USP.

If your USP is a promise or guarantee, you must make sure that you can fulfil your USP promise. Domino's had a very bold USP. To get a pizza to anyone's house in Domino's marketplace within 30 minutes was sometimes a difficult feat to consistently accomplish. But the rewards were fantastic.

How do you pick a USP? You need to first identify which needs are going unfulfilled within either your industry or your local market. These are called "performance gaps." Many businesses that base their USP on industry performance gaps are successful.

Here are some examples in different business industries:

Example #1

Auto Repair Industry

Performance Gap (problem) = Auto repair establishments have a reputation of being dishonest.

Potential USP (solution) = "If It Ain't Broke, We Won't Fix It!"

Example #2

Dental Industry

Performance Gap (problem)= No one likes to go to the dentist because its such a painful experience.

Potential USP (solution) = "Sedation Dentistry: The safe, Pain-Free Way to Healthy Teeth"

Example #3

Real Estate Industry

Performance Gap (problem)= People are wary of letting real estate agents sell their homes because they don't believe the agents will aggressively try to sell them fast enough.

Potential USP (solution) = "Our 20-Point Power Marketing Plan Gets Your House Sold in 30 Days or Less"

You can see how a performance gap can lead to a powerful USP. You can also have local performance gaps that will give you a great USP as well. For instance, if you are an electronics outlet and you have more inventory than anyone else in town your USP could be,

"We Have 10 Times the selection of Any Other Electronics Store In Town. Go Visit the Rest, Then Come Shop at the Best"

Your USP Doesn't Have to be Unique

Although a USP is a statement of your uniqueness it doesn't always have to be something that is unique to you... if you proclaim it first!

For instance, if you were a furniture retailer, you could proclaim your USP to be "Buy today, we'll deliver it tonight." Most other competitors can do this too, but because you were the first to proclaim it, it is yours exclusively.

This is sometimes called "pre-emptive marketing." You can pre-empt your competitors if you take a strong benefit, whether or not it's unique, and put your stamp on it first. All others who come after you will just be strengthening an advantage that you have already placed in the minds of your prospects.

Live Up To Your USP

Be bold when developing your USP, but be careful to ensure that you can live up to your USP. Your USP should have promises, guarantees, policies and procedures, employee evaluations and other reinforcing processes to make each USP come alive.

Having a strong USP can make your business super successful; on the other hand, having a USP that you can't live up to is suicide. I'm sure that Domino's had to eat the cost of a lot of pizzas when they didn't arrive within 30 minutes, but they developed a system that allowed them to deliver on their promise consistently.

Integrate Your USP into Everything You Do

Once you have put some careful thought to your USP and have developed it, you need to integrate it into everything you do. Your USP should be found somewhere in your headlines, body copy of ads, direct mail, and Yellow Pages. You should repeat it clearly and consistently in every one of your radio commercials;

You should include it in your sales presentation, on the walls of your business and even on your business card. You can't over-do or wear out your USP, especially if it's powerful.